



EXHIBIT 12
DATE 2-12-13
HB 420

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MEDA represents over 230 members, who are actively involved in local economic activity, community development, and job retention and job creation for Montana.

February 12, 2013

TO: Montana House Agriculture Committee

RE: HB 420 In Support of Montana Food and Agricultural Development Centers

The Montana Economic Developers Association (MEDA) stands in support of HB 420, which would fund Montana's Food and Agricultural Development Centers to maintain and build on Montana's capacity to assist entrepreneurs in the area of food manufacturing, value-added agriculture and alternative energy.

Montana's Food and Agricultural Development Centers have a proven track record of success.

In FY2012, Food and Agricultural Development Center clients:

- Introduced 47 new products
- Started 19 new businesses
- Undertook 24 business expansions
- Created 41.5 new jobs and
- Leveraged over \$2 million in outside funding, over one-third from private sources

By ensuring that these Centers can continue to provide technical assistance to Montana's food and agricultural entrepreneurs, this bill will help Montana farmers, ranchers and small businesses retain a greater share of the billions of food and energy dollars Montanans otherwise send out of state. Montanans spend more than \$3 billion a year on food, but currently only about 10% of that money stays in Montana. Research confirms that the lack of a food processing and value-added agriculture infrastructure is a primary barrier preventing farmers and food entrepreneurs from succeeding with in-state markets.

For continued growth, particularly in eastern Montana, the Food and Ag Development Center Program needs adequate funding. This bill provides a total of \$300,000 for each year of the coming biennium.

These Centers hold tremendous potential for economic development in both urban and rural communities by ensuring that more of our state's food, agricultural and energy dollars circulate in Montana – revitalizing communities, improving access to healthier food for our citizens, and reconnecting our rural and urban economies.

Thank you for your support of HB 420.

For MEDA,

Tracy McIntyre, President

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